SFUND RECORDS CTR 2088653

KELLY A. JOHNSON 1 Acting Assistant Attorney General Environment and Natural Resources Division U.S. Department Of Justice ROBERT D. MULLANEY ORIGINAL 2 Trial Attorney
California State Bar No. 116441
Environmental Enforcement Section
U.S. Department of Justice
301 Howard Street, Suite 1050
San Francisco, CA 94105
Tel: (415) 744-6491
Fax: (415) 744-6476
E-mail: Robert.Mullaney@usdoj.gov 3 FILED CLERK, U.S. DISTRICT COURT 4 5 DEC | 2 2005 6 CENTRAL DISTRICT OF CALIFORNIA DEBRA WONG YANG
United States Attorney
Central District of California
LEON W. WEIDMAN
Chief, Civil Division
MONICA L. MILLER
Assistant United States Attorney
California State Bar No. 157695
Federal Building, Suite 7516
300 North Los Angeles Street
Los Angeles, CA 90012
Tel: (213) 894-4061
Fax: (213) 894-7819
E-mail: Monica.Miller@usdoj.go Priority Send Enter Closed 10 11 Scan Only\_\_\_\_ 12 13 E-mail: Monica.Miller@usdoj.gov 14 or Plaintiff United States of America UNITED STATES DISTRICT COURT OCT 26 2005 CENTRAL DISTRICT OF CALIFORNIA WESTERN DIVISION UNITED STATES OF AMERICA 20 Plaintiff, Case No. CV05-7516-F V. 21 CONSENT DECREE 22 AEROJET-GENERAL ENTERED CLERK, U.S. DISTRICT COURT CORPORATION and GENCORP, 23 INC., 24 Defendants. DFC 1 3 2005 25 CENTRAL DISTRICT OF CALIFORNIA BY MA THIS CONSTITUTES NOTICE OF ENTRY 26 AS REQUIRED BY FRCP, RULE 77(d). 27 28

1	TABLE OF CONTENTS
2	I. BACKGROUND
4	II. <u>JURISDICTION</u>
5	III. PARTIES BOUND
7	IV. <u>DEFINITIONS</u>
8	V. PAYMENT OF RESPONSE COSTS
9	VI. FAILURE TO COMPLY WITH CONSENT DECREE
11	VII. COVENANTS NOT TO SUE BY PLAINTIFF
12	VIII. RESERVATIONS OF RIGHTS BY PLAINTIFF
13 14	IX. <u>COVENANTS NOT TO SUE AND RESERVATION</u> <u>OF RIGHTS BY SETTLING DEFENDANTS</u>
15 16	X. <u>EFFECT OF SETTLEMENT/CONTRIBUTION PROTECTION</u> 18
17	XI. <u>ACCESS</u>
18 19	XII. ACCESS TO INFORMATION
20	XIII. RETENTION OF RECORDS
21	XIV. NOTICES AND SUBMISSIONS
<ul><li>22</li><li>23</li></ul>	XV. <u>EFFECTIVE DATE</u>
24	XVI. <u>RETENTION OF JURISDICTION</u>
25	XVII. <u>INTEGRATION/APPENDICES</u>
<ul><li>26</li><li>27</li></ul>	XVIII. LODGING AND OPPORTUNITY FOR PUBLIC COMMENT 25
28	XIX. <u>SIGNATORIES/SERVICE</u>

i

1	
2	XX. <u>FINAL JUDGM</u>
3	
4	
5	•
6	
7	
8	
9	
10	
11	
12	,
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	*
27	``
28	t

..... යි 26 ම්

### I. BACKGROUND

~ 14

A. Pursuant to Section 105 of the Comprehensive Environmental Response
Compensation, and Liability Act ("CERCLA"), 42 U.S.C. § 9605, the United
States Environmental Protection Agency ("EPA") placed the San Gabriel Valley
Superfund Sites Areas 1-4 in Los Angeles County, California, including the
Baldwin Park Operable Unit (Area 2) (the "BPOU Area"), on the National
Priorities List, set forth at 40 C.F.R. Part 300, Appendix B, by publication in the
Federal Register on May 8, 1984, 49 Fed. Reg. 19,480.

- B. On March 31, 1994, EPA executed a Record of Decision ("ROD") setting forth EPA's decision on the interim remedial action to be implemented at the BPOU Area. In May 1999, EPA issued an Explanation of Significant Differences ("ESD") relating to the ROD.
- C. On February 28, 2002, EPA issued an amended Unilateral Administrative Order ("UAO") for Remedial Design and Remedial Action ("RD/RA") at the BPOU Area to Aerojet-General Corporation ("Aerojet") and GenCorp, Inc. ("Settling Defendants") as well as other Potentially Responsible Parties. A copy of the UAO and the Statement of Work attached to and included as part of the UAO is attached to this Consent Decree, for reference only, as Appendix A.
- D. On March 29, 2002, Aerojet, together with Azusa Land Reclamation Co., Inc., Fairchild Holding Corp., Hartwell Corporation, Huffy Corporation, Oil & Solvent Process Company, Reichhold, Inc., and Wynn Oil Company, now known as Winco Enterprises Inc. (collectively known as the "Cooperating Respondents"), entered into the BPOU Project Agreement with local Water Entities, certain of which had sued the Cooperating Respondents and other PRPs pursuant to CERCLA Section 107(a), 42 U.S.C. § 9607(a), and other provisions of law. The BPOU Project Agreement provides for the implementation of the BPOU Area interim remedy as a joint cleanup and water supply project. The BPOU

- E. In performing response actions at the BPOU Area, the United States has incurred and will continue to incur response costs at or in connection with the BPOU Area.
- F. The United States, on behalf of the Administrator of EPA, filed a complaint in this matter pursuant to Section 107 of CERCLA, 42 U.S.C. § 9607, seeking reimbursement of response costs incurred or to be incurred for response actions taken at or in connection with the release or threatened release of hazardous substances at the BPOU Area, together with accrued interest.
- G. Settling Defendants do not admit any liability to Plaintiff arising out of the transactions or occurrences alleged in the complaint, nor do they acknowledge that the release or threatened release of hazardous substance(s) at or from the BPOU Area constitutes an imminent or substantial endangerment to the public health or welfare or the environment. Except as otherwise provided in the Federal Rules of Evidence, Settling Defendants' participation in this settlement process and entry into this Consent Decree shall not be considered as an admission of liability for any purpose.
- H. The purpose of this Consent Decree is to provide for Settling
  Defendants' payment of a share of Past Response Costs, and for their continued
  compensation of the United States for Oversight Costs. Except as otherwise
  settled by this Consent Decree, this Decree does not address issues with respect to

Settling Defendants' obligations or continuing performance under the UAO. The 1 2 3 4 5

6 7

8 9

11

10

12 13

15

14

17

16

18

20

19

21

22

23

24 25

26

27

28

United States and Settling Defendants desire to resolve Settling Defendants' alleged civil liability for Past Response Costs and Oversight Costs, as those terms are defined herein, without litigation and without admission or adjudication of any issue of fact or law.

I. The United States and Settling Defendants agree, and this Court by entering this Consent Decree finds, that this Consent Decree has been negotiated by the Parties in good faith, that settlement of this matter will avoid prolonged and complicated litigation between the Parties, and that this Consent Decree is fair, reasonable, and in the public interest.

THEREFORE, with the consent of the Parties to this Decree, it is ORDERED, ADJUDGED, AND DECREED:

### II. JURISDICTION

1. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1345 and 42 U.S.C. §§ 9607 and 9613(b) and also has personal jurisdiction over Settling Defendants. Solely for the purposes of this Consent Decree and the underlying complaint, Settling Defendants waive all objections and defenses that they may have to jurisdiction of the Court or to venue in this District. Settling Defendants shall not challenge the terms of this Consent Decree or this Court's jurisdiction to enter and enforce this Consent Decree.

## III. PARTIES BOUND

2. This Consent Decree is binding upon the United States, and upon Settling Defendants and their successors and assigns. Any change in ownership or corporate or other legal status, including, but not limited to, any transfer of assets or real or personal property, shall in no way alter the status or responsibilities of Settling Defendants under this Consent Decree.

#### IV. DEFINITIONS

3. Unless otherwise expressly provided herein, terms used in this Consent

h. "Defined BPOU Project Work" shall mean various BPOU planning, reporting, design, construction, operation and maintenance, monitoring, and evaluation activities completed before May 8, 2017, to implement planning or design documents approved by EPA before May 31, 2005. Defined BPOU Project Work shall include:

- (1) Design and construction of the following four Subprojects:
  - (i) the La Puente Valley County Water District, San Gabriel Valley Water Company B-6, and Valley County Water District Subprojects as documented in Remedial Action Reports completed for the three Subprojects. The three Remedial Action Reports are dated September 2003, September 2004, and March 2005, and were approved by EPA on September 30, 2003, September 30, 2004, and March 31, 2005, respectively; and
  - (ii) the San Gabriel Valley Water Company B-5 ("B-5") Subproject. EPA approved the design for the B-5 Subproject in a letter dated September 29, 2004. Construction is expected to continue into 2006;
- (2) Operation and maintenance activities related to the four Subprojects in subparagraph (1) until May 8, 2017;
- (3) Preparation of, and activities implemented to comply with, the January 30, 2004 Revised Final Performance Standards Evaluation Plan submitted in accordance with the EPA approval letter dated December 10, 2003.
- i. "DOJ" shall mean the United States Department of Justice and any of its successor departments, agencies, or instrumentalities.
- j. "Effective Date" shall be the effective date of this Consent Decree as provided in Paragraph 33.

- k. "EPA" shall mean the United States Environmental Protection
  Agency and any of its successor departments, agencies or instrumentalities.
- 1. "EPA Hazardous Substance Superfund" shall mean the Hazardous Substance Superfund established by the Internal Revenue Code, 26 U.S.C. § 9507.
- m. "Explanation of Significant Differences" or "ESD" shall mean the Explanation of Significant Differences relating to the BPOU Area issued by EPA in May 1999. The ESD is attached as Appendix D.
- n. "Interest" shall mean interest at the rate specified for interest on investments of the EPA Hazardous Substance Superfund established by 26 U.S.C. § 9507, compounded annually on October 1 of each year, in accordance with 42 U.S.C. § 9607(a). The applicable rate of interest shall be the rate in effect at the time the interest accrues. The rate of interest is subject to change on October 1 of each year.
- o. "National Contingency Plan" or "NCP" shall mean the National Oil and Hazardous Substances Pollution Contingency Plan promulgated pursuant to Section 105 of CERCLA, 42 U.S.C. § 9605, codified at 40 C.F.R. Part 300, and any amendments thereto.
- p. "Oversight Costs" shall mean all costs, including, but not limited to, direct and indirect costs, that are not inconsistent with the NCP and that are incurred by the United States at or in connection with the BPOU Area on or after July 1, 2004, until and including May 8, 2017 (the remaining term of the BPOU Project Agreement) in: reviewing, verifying or developing the plans, reports, and other documents submitted or conducted pursuant to the UAO, this Consent Decree, or the BPOU Project Agreement; reviewing or verifying the Work conducted pursuant to the UAO or the BPOU Project Agreement; conducting response activities pursuant to Section XIV (EPA Review of Submissions) of the UAO, except for Paragraph 87(d) of the amended UAO issued on February 28, 2002, as it relates to EPA's performance of all or part of the response action;

performing periodic remedial action reviews under Section XI (EPA Periodic Review) of the UAO or Section 121 of CERCLA, 42 U.S.C. § 9621; or implementing, overseeing, or enforcing this Consent Decree against Settling Defendants, including, but not limited to, payroll costs, contractor costs, travel costs, laboratory costs, costs of attorney time, costs of obtaining access to the BPOU Area, and Interest on all such costs accrued from the date payment of a specific amount is due under this Consent Decree.

- q. "Paragraph" shall mean a portion of this Consent Decree identified by an Arabic numeral or an upper or lower case letter.
  - r. "Parties" shall mean the United States and Settling Defendants.
- s. "Past Response Costs" shall mean all costs, including, but not limited to, direct and indirect costs, that EPA or DOJ on behalf of EPA has paid or incurred at or in connection with the BPOU Area through June 30, 2004, including all basin-wide costs to the extent that such costs are allocated to the BPOU, plus accrued Interest on all such costs through such date.
  - t. "Plaintiff" shall mean the United States.
- u. "ROD" shall mean the EPA Record of Decision and all attachments thereto relating to the interim remedy for the BPOU Area, which was signed by the delegate of the Regional Administrator, EPA Region 9 on March 31, 1994. The ROD is attached as Appendix C.
- v. "Section" shall mean a portion of this Consent Decree identified by a Roman numeral.
- w. "Settling Defendants" shall mean Aerojet-General Corporation and GenCorp, Inc, and their successors. For purposes of Paragraphs 16, 17, 18, and 21, Settling Defendants shall also mean:
  - (i) the predecessors of such entities;
  - (ii) the subsidiaries of such entities; and
  - (iii) any shareholder, officer, director, or employee, acting in their

2

3

4

5

6

27

28

BPOU Area.

implement the ROD, as supplemented by the ESD, at or in connection with the

#### V. PAYMENT OF RESPONSE COSTS

- 4. Payment of Past Response Costs to EPA. Settling Defendants shall pay the following amounts to EPA in payment for Past Response Costs: (i) within 30 days after the Effective Date, \$811,694; and (ii) within 395 days after the Effective Date, \$811,694, plus Interest calculated from the Effective Date. The payment shall be made to Site Spill Number 0927 in accordance with the requirements of Paragraph 5.
- 5. Payment of Past Response Costs shall be made by FedWire Electronic Funds Transfer ("EFT") to the U.S. Department of Justice account in accordance with EFT instructions to be provided to Settling Defendants by the Financial Litigation Unit of the U.S. Attorney's Office in the Central District of California following lodging of the Consent Decree.
- 6. At the time of payment, Settling Defendants also shall send notice that payment has been made to EPA and DOJ in accordance with Section XIV (Notices and Submissions). Such notice shall reference EPA Region 9, Site Spill Number 0927, DOJ case number 90-11-2-354/18, and the civil action number.
- 7. The total amount to be paid pursuant to Paragraph 4 shall be deposited in the Site 0927 San Gabriel Valley/Baldwin Park Special Account within the EPA Hazardous Substance Superfund to be retained and used to conduct or finance response actions at or in connection with the BPOU Area, or to be transferred by EPA to the EPA Hazardous Substance Superfund.
- 8. Payment of Oversight Costs to EPA. Settling Defendants shall reimburse the United States for a total of 68 percent of all Oversight Costs. Periodically, the United States will send Settling Defendants a bill requiring payment that includes an accounting of Oversight Costs. This accounting will include a standard Regionally-prepared cost summary, which includes direct and indirect costs incurred by EPA and its contractors, and a DOJ cost summary that reflects costs incurred by DOJ and its contractors, if any. Settling Defendants

shall make all payments within 60 days of Settling Defendants' receipt of each bill requiring payment, except as otherwise provided in Paragraph 10. EPA may, in its sole discretion, extend the time period for payment. Settling Defendants shall? make all payments required by this Paragraph in the form of a certified or cashier's 4 check or checks made payable to "EPA Hazardous Substance Superfund" or an EFT to the EPA Hazardous Substance Superfund account in accordance with EFT 7 instructions to be provided to Settling Defendants by EPA. The payments shall reference the name and address of the party making payment, EPA Region 9 and Site Spill Number 09M5, DOJ case number 90-11-2-354/18, and the civil action 10 number. Settling Defendants shall forward the certified or cashier's check(s) to:

EPA - Cincinnati Accounting Operations Attn: Region 9 Receivables Pittsburgh, PA 15251

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

11

12

1

2

3

5

6

8

9

and shall send copies of the check(s) or notice of the EFT payment to DOJ, EPA, and the Regional Financial Management Officer, in accordance with Section XIV (Notices and Submissions). The total amount to be paid pursuant to Paragraph 8 shall be deposited in the Baldwin Park 09M5 Special Account within the EPA Hazardous Substance Superfund to be retained and used to conduct or finance response actions at or in connection with the BPOU Area, or to be transferred by EPA to the EPA Hazardous Substance Superfund.

9. Except as otherwise settled by this Consent Decree, the Parties agree that this Consent Decree does not address Settling Defendants' obligations or continued performance under the UAO.

## 10. <u>Dispute Resolution for Oversight Costs.</u>

a. Standard. Settling Defendants may contest payment of any Oversight Costs billed by the United States if they determine that the United States has made an accounting error or has included costs outside the scope of this Consent Decree, or if they allege that a cost item that is included represents costs

that are inconsistent with the NCP.

- b. Procedures. The dispute resolution procedures set forth in Paragraph 10 shall be the exclusive mechanism for resolving disputes regarding the Settling Defendants' obligation to reimburse the United States for its Oversight Costs.
- c. Dispute Resolution. The dispute resolution mechanism described in Paragraph 10 is only available if Settling Defendants comply with the following conditions:
- (1) Notice. Any objection to the payment of Oversight Costs shall be made in writing within 60 days of receipt of the bill and accompanying accounting of costs and must be sent to the United States in accordance with Section XIV (Notices and Submissions). EPA may, in its sole discretion, extend the time period for payment. Any such objection (hereinafter referred to as the "Notice of Objection") shall specifically identify the contested Oversight Costs and the basis for objection.
- (2) Payment of Undisputed Amounts. In the event of an objection to some but not all Oversight Costs, Settling Defendants shall, within the 60-day period, pay all uncontested Oversight Costs to the United States in the manner described in Paragraph 8.
- (3) Escrow for Disputed Amounts. Within 60 days of receipt of a bill for Oversight Costs that are disputed, Settling Defendants shall establish an interest-bearing escrow account in a federally-insured bank and remit to that escrow account funds equivalent to the amount of the contested Oversight Costs. Settling Defendants shall send to the United States, as provided in Section XIV (Notices and Submissions), a copy of the correspondence that establishes and funds the escrow account, including, but not limited to, information containing the identity of the bank and bank account under which the escrow account is established as well as a bank statement showing the initial balance of the escrow

account.

d. Informal Dispute Resolution. Any dispute with respect to

Oversight Costs shall in the first instance be the subject of informal negotiations between the United States and Settling Defendants.

- e. Formal Dispute Resolution.
- (1) Initiation. If the dispute is not resolved by informal dispute resolution, either party may commence formal dispute resolution by sending a Notice of Formal Dispute Resolution to the other party to the dispute. The Notice of Formal Dispute Resolution shall be accompanied by a written Statement of Position by the party who serves the Notice, stating the basis of that party's position and citing all factual data, analysis, opinion or other information on which that party relies to support its position. The opposing party shall have 30 days in which to serve a Response setting forth the same information supporting its position.
- (2) Administrative Record and Decision. EPA shall maintain an administrative record of any dispute as to Oversight Costs for which formal dispute resolution has been initiated. The administrative record shall include the disputed bill and all cost documentation sent by EPA to the Settling Defendants, the Notice of Objection served by Settling Defendants, the Notice of Formal Dispute Resolution and accompanying Statement of Position, the opposing party's Response, and any other documents or information sent to EPA by Settling Defendants for inclusion in the record or relied on by EPA in reaching an administrative resolution of the dispute. The Director of the Superfund Division, EPA Region IX, will issue a final administrative decision determining whether the disputed Oversight Costs, or any part of them, shall be disallowed as inconsistent with the NCP, as the result of an accounting error, or as costs outside the scope of this Consent Decree.
  - (3) Judicial Appeal. Settling Defendants may appeal EPA's

f. Payment Following Dispute Resolution. Payments determined to be owing to the United States following dispute resolution shall be paid from the escrow account (including accrued Interest on the amounts owed) to the United States in the manner described in Paragraph 8, within 10 days after receipt of the Court's decision or, if EPA's final administrative decision is not timely appealed, within 40 days after EPA's decision. To the extent that any amounts are determined not to be owed, Settling Defendants shall be disbursed the remainder of the escrow account.

# VI. FAILURE TO COMPLY WITH CONSENT DECREE

11. <u>Interest on Late Payments</u>. If Settling Defendants fail to make any payment under Paragraph 4 (Payment of Past Response Costs to EPA) or Paragraph 8 (Payment of Oversight Costs to EPA), Interest shall accrue on the unpaid balance from the due date through the date of payment.

# 12. Stipulated Penalty.

- a. If any amounts due under Paragraph 4 are not paid by the required date, Settling Defendants shall be in violation of this Consent Decree and shall pay to EPA, as a stipulated penalty, in addition to the Interest required by Paragraph 11, \$1,000 per day that such payment is late.
- b. If any amounts due under Paragraph 8 are not either paid by the required date or paid into escrow in accordance with Paragraph 10(c)(3), Settling Defendants shall pay to EPA, in addition to the Interest required in Paragraph 11,

Period of Noncompliance

1st through 30th day
31st day and beyond

c. Stipulated penalties are due and payable within 30 days after the date of the demand by EPA for payment of the penalties. All payments to EPA under this Paragraph shall be identified as "stipulated penalties" and shall be made by certified or cashier's check made payable to "EPA Hazardous Substance Superfund." The check, or a letter accompanying the check, shall reference the name and address of the party making payment, the Site name, EPA Region 9 and Site Spill Number 09M5, DOJ Case Number 90-11-2-354/18, and the civil action number, and shall be sent to:

EPA - Cincinnati Accounting Operations Attn: Region 9 Receivables P.O. Box 371099M Pittsburgh, PA 15251

d. At the time of payment of any stipulated penalties to the United States, Settling Defendants shall send copies of check(s), and any accompanying transmittal letter(s), to DOJ, EPA, and the Regional Financial Management Officer as provided in Section XIV (Notices and Submissions) of this Consent Decree. Such notice shall reference the EPA Region and Site Spill Number 09M5, DOJ Case Number 90-11-2-354/18, and the civil action number.

e. Stipulated penalties shall accrue as provided in this
Paragraph regardless of whether EPA has notified Settling Defendants of the
violation or made a demand for payment, but need only be paid upon
demand. All penalties shall begin to accrue on the day after payment is due
and shall continue to accrue through the date of payment. Nothing herein
shall prevent the simultaneous accrual of separate penalties for separate

violations of this Consent Decree.

- 13. If the United States brings an action to enforce this Consent Decree, Settling Defendants shall reimburse the United States for all costs of such action, including, but not limited to, costs of attorney time.
- 14. Payments made under this Section shall be in addition to any other remedies or sanctions available to Plaintiff by virtue of Settling Defendants' failure to comply with the requirements of this Consent Decree.
- 15. Notwithstanding any other provision of this Section, the United States may, in its unreviewable discretion, waive payment of any portion of the stipulated penalties that have accrued to the United States pursuant to this Consent Decree. Payment of stipulated penalties shall not excuse Settling Defendants from payment as required by Section V or from performance of any other requirements of this Consent Decree.

### VII. COVENANTS NOT TO SUE BY PLAINTIFF

VIII (Reservations of Rights by Plaintiff), the United States covenants not to sue or to take administrative action against Settling Defendants pursuant to Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), to recover Past Response Costs or Oversight Costs as defined in this Consent Decree. These covenants not to sue or to take administrative action (1) are conditioned upon the satisfactory performance by Settling Defendants of their obligations under this Consent Decree, (2) do not extend to any other person, and (3) shall take effect upon receipt by EPA of all payments required by Paragraph 4 and any related amount due under Section VI (Failure to Comply with Consent Decree), Paragraphs 11 and 12, on account of late payment of Past Response Costs.

### VIII. RESERVATIONS OF RIGHTS BY PLAINTIFF

17. The United States reserves, and this Consent Decree is without

1	F
2	r
3	1
4	S
5	
6	r
7	
8	5
9	
10	
11	t
12	Į į
13	
14	5
15	(
16	1
17	
18	1
19	] t
20	
21	
22	1
23	

25

26

27

28

prejudice to, all rights against Settling Defendants with respect to all matters not expressly included within the Covenants Not to Sue in Paragraph 16.

Notwithstanding any other provision of this Consent Decree, the United States reserves all rights against Setting Defendants with respect to:

- a. liability for failure of Settling Defendants to meet a requirement of this Consent Decree;
- b. liability for costs incurred or to be incurred by the United States that are not within the definitions of Past Response Costs or Oversight Costs;
- c. liability for injunctive relief, any administrative action (except to the extent settled in this Consent Decree), fines, and/or punitive damages under Sections 106 or 107(c)(3) of CERCLA, 42 U.S.C. §§ 9606, 9607(c)(3);
- d. liability for any and all response costs incurred by the United States (that are not within the definitions of Past Response Costs or Oversight Costs) that are related to Settling Defendants' violation of, or failure or refusal to comply with, the UAO;
- e. liability for additional operable units at the Site, or a final response action, including, but not limited to, the final Record of Decision for the BPOU Area;
  - f. criminal liability; and
- g. liability for damages for injury to, destruction of, or loss of natural resources, and for the costs of any natural resource damage assessments.

# IX. COVENANTS NOT TO SUE AND RESERVATION OF RIGHTS BY SETTLING DEFENDANTS

- 18. Covenants Not to Sue; Reservation of Rights.
- a. Subject to Paragraph 18.d. below, Settling Defendants covenant not to sue and agree not to assert any claims or causes of action

2	1
3	

n

against the United States, or its contractors or employees, with respect to Past
Response Costs, Oversight Costs, or this Consent Decree, including, but not
limited to:

- i. any direct or indirect claim for reimbursement from the Hazardous Substance Superfund based on Sections 106(b)(2), 107, 111, 112, or 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law;
- ii. any claim for Past Response Costs or Oversight Costs arising out of the response actions at the Site for which the Past Response Costs or Oversight Costs were incurred, including any claim under the United States Constitution, the Constitution of the State of California, the Tucker Act, 28 U.S.C. § 1491, the Equal Access to Justice Act, 28 U.S.C. § 2412, as amended, or at common law; or
- iii. any claim against the United States pursuant to Sections 107 or 113 of CERCLA, 42 U.S.C. §§ 9607, 9613, relating to Past Response Costs or Oversight Costs.
- b. With respect to the Defined BPOU Project Work, Settling Defendants covenant not to sue and agree not to assert any direct or indirect claim for reimbursement from the Hazardous Substance Superfund based on Sections 106(b)(2), 107, 111, 112, or 113 of CERCLA, 42 U.S.C. §§ 9606(b)(2), 9607, 9611, 9612, or 9613, or any other provision of law.
- c. Except as provided in Paragraph 18.b., Settling Defendants reserve the right to sue or assert claims or defenses as to Work, including any Defined BPOU Project Work, and the United States reserves all defenses to such claims.
- d. Settling Defendants reserve, and these covenants not to sue and this Consent Decree are without prejudice to, any claims under federal law, under or on the basis of any contract with the United States, that Settling

1

8

6

10 11

13

14

12

15

16 17

18

20

19

21 22

23

24

25

26

27

28

Defendants might assert against the United States to recover costs, incurred under this Consent Decree or otherwise, at or associated with the BPOU Area The United States reserves all defenses to any such claims.

19. Nothing in this Consent Decree shall be deemed to constitute approval or preauthorization of a claim within the meaning of Section 111 of CERCLA, 42 U.S.C. § 9611, or 40 C.F.R. § 300.700(d).

### X. EFFECT OF SETTLEMENT/CONTRIBUTION PROTECTION

- 20. Except as provided in Paragraph 2 with respect to successors and assigns and as provided in the definition of Settling Defendants with respect to Paragraphs 16, 17, 18, and 21, nothing in this Consent Decree shall be construed to create any rights in, or grant any cause of action to, any person not a Party to this Consent Decree. The Parties expressly reserve any and all rights (including, but not limited to, any right to contribution), defenses, claims, demands, and causes of action that they may have with respect to any matter, transaction, or occurrence relating in any way to the Site against any person not a Party hereto.
- 21. The Parties agree, and by entering this Consent Decree this Court finds, that Settling Defendants are entitled, as of the date of entry of this Consent Decree, to protection from contribution actions or claims as provided by Section 113(f)(2) of CERCLA, 42 U.S.C. § 9613(f)(2), for "matters addressed" in this Consent Decree. The "matters addressed" in this Consent Decree are Past Response Costs and Oversight Costs, as defined in this Consent Decree.
- 22. Each Settling Defendant agrees that, with respect to any suit or claim for contribution brought by it for matters related to this Consent Decree, it will notify EPA and DOJ in writing no later than 60 days prior to the initiation of such suit or claim. Each Settling Defendant also agrees that, with respect to any suit or claim for contribution brought against it for matters

related to this Consent Decree, it will notify EPA and DOJ in writing within 10 days of service of the complaint or claim upon it. In addition, Settling Defendants shall notify EPA and DOJ within 10 days of service or receipt of any Motion for Summary Judgment, and within 10 days of receipt of any order from a court setting a case for trial, for matters related to this Consent Decree.

23. In any subsequent administrative or judicial proceeding initiated by the United States for injunctive relief, recovery of response costs, or other relief relating to the Site, Settling Defendants shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, claim-splitting, or other defenses based upon any contention that the claims raised by the United States in the subsequent proceeding were or should have been brought in the instant case; provided, however, that nothing in this Paragraph affects the enforceability of the Covenants Not to Sue by Plaintiff set forth in Section VII.

### XI. ACCESS

- 24. If the Site, or any other property where access is needed to implement response activities at the Site, is owned or controlled by the Settling Defendants, Settling Defendants shall, commencing on the date of lodging of this Consent Decree, provide the United States and its representatives, including EPA and contractors, with access at all reasonable times to the Site, or to such other property, for the purpose of conducting any response activity related to the Site, including, but not limited to, the following activities:
- 1. Monitoring, investigation, removal, remedial or other activities at the Site;
- 2. Verifying any data or information submitted to the United States;
  - 3. Conducting investigations relating to contamination at

or near the Site;

4. Obtaining samples;

- 5. Assessing the need for, planning, or implementing response actions at or near the Site;
- 6. Inspecting and copying records, operating logs, contracts, or other documents maintained or generated by Settling Defendants or their agents, consistent with Section XII (Access to Information); and
- 7. Assessing Settling Defendants' compliance with this Agreement.
- 25. Notwithstanding any provision of this Agreement, EPA retains all of its access authorities and rights, as well as all of its rights to require land/water use restrictions, including enforcement authorities related thereto, under CERCLA, RCRA, and any other applicable statutes or regulations.

### XII. ACCESS TO INFORMATION

- 26. Until May 8, 2017, Settling Defendants shall provide to EPA, upon request, copies of all records, reports, or information (hereinafter referred to as "records") within their possession or control or that of their contractors or agents relating to activities at the Site or to the implementation of this Consent Decree, including, but not limited to, sampling, analysis, chain of custody records, manifests, trucking logs, receipts, reports, sample traffic routing, correspondence, or other documents or information related to the Site.
  - 27. Confidential Business Information and Privileged Documents.
- a. Settling Defendants may assert business confidentiality claims covering part or all of the records submitted to Plaintiff under this Consent Decree to the extent permitted by and in accordance with Section 104(e)(7) of CERCLA, 42 U.S.C. § 9604(e)(7), and 40 C.F.R. § 2.203(b). Records determined to be confidential by EPA will be accorded the protection specified in 40 C.F.R. Part 2, Subpart B. If no claim of confidentiality

accompanies records when they are submitted to EPA, or if EPA has notified Settling Defendants that the records are not confidential under the standards of Section 104(e)(7) of CERCLA or 40 C.F.R. Part 2, Subpart B, the public may be given access to such records without further notice to Settling Defendants.

1

2

3

4

5

6

7

8

10

14

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

b. Each Settling Defendant may assert that certain records are privileged under the attorney-client privilege or any other privilege recognized by federal law. If a Settling Defendant asserts such a privilege in lieu of providing records, it shall provide Plaintiff with the following: 1) the title of the record; 2) the date of the record; 3) the name, title, affiliation (e.g., company or firm), and address of the author of the record; 4) the name and title of each addressee and recipient; 5) a description of the subject of the record; and 6) the privilege asserted. If a claim of privilege applies only to a portion of a record, the record shall be provided to Plaintiff in redacted form to mask the privileged information only. Each Settling Defendant shall retain all records that it claims to be privileged until the United States has had a reasonable opportunity to dispute the privilege claim and any such dispute has been resolved in the Settling Defendant's favor. However, no records created or generated pursuant to the requirements of this or any other settlement with EPA pertaining to the Site shall be withheld on the grounds that they are privileged.

28. No claim of business confidentiality shall be made with respect to any information or data within the scope of Section 104(e)(7)(F) of CERCLA, 42 U.S.C. § 9604(e)(7)(F), including, but not limited to, all sampling, analytical, monitoring, hydrogeologic, scientific, chemical, or engineering data, or any other documents or information evidencing conditions at or around the Site.

### XIII. RETENTION OF RECORDS

29. Until May 8, 2017, Settling Defendants shall preserve and retain all

2

3

4

5

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

- 30. After the conclusion of the document retention period described in the preceding Paragraph, Settling Defendants shall notify EPA and DOJ at least 90 days prior to the destruction of any such records, and, upon request by EPA or DOJ, Settling Defendants shall deliver any such records to EPA. Each Settling Defendant may assert that certain records are privileged under the attorney-client privilege or any other privilege recognized by federal law. If a Settling Defendant asserts such a privilege, it shall provide Plaintiff with the following: 1) the title of the record; 2) the date of the record; 3) the name, title, affiliation (e.g., company or firm), and address of the author of the record; 4) the name and title of each addressee and recipient; 5) a description of the subject of the record; and 6) the privilege asserted. If a claim of privilege applies only to a portion of a record, the record shall be provided to Plaintiff in redacted form to mask the privileged information only. Each Settling Defendant shall retain all records that it claims to be privileged until the United States has had a reasonable opportunity to dispute the privilege claim and any such dispute has been resolved in the Settling Defendant's favor. However, no records created or generated pursuant to the requirements of this or any other settlement with EPA pertaining to the Site shall be withheld on the grounds that they are privileged.
- 31. Each Settling Defendant hereby certifies that, to the best of its knowledge and belief, after thorough inquiry, it has not altered, mutilated, discarded, destroyed or otherwise disposed of any records, reports, or information relating to its potential liability regarding the Site since notification of potential liability by the United States or the filing of suit

against it regarding the Site and that it has fully complied with any and all
EPA requests for information pursuant to Sections 104(e) and 122(e) of
CERCLA, 42 U.S.C. §§ 9604(e), 9622(e), and Section 3007 of RCRA, 42
U.S.C. § 6972.

#### XIV. NOTICES AND SUBMISSIONS

- 32. Whenever, under the terms of this Consent Decree, notice is required to be given or a document is required to be sent by one party to another, it shall be directed to the individuals at the addresses specified below, unless those individuals or their successors give notice of a change to the other Parties in writing. Written notice as specified herein shall constitute complete satisfaction of any written notice requirement of the Consent Decree with respect to the United States, EPA, DOJ, and Settling Defendants.
- As to the United States: 13
- As to DOJ: 14

2

3

5

6

7

8

10

11

- Chief, Environmental Enforcement Section 15 Environment and Natural Resources Division
- U.S. Department of Justice 16
  - P.O. Box 7611, Ben Franklin Station Washington, D.C. 20044 Re: DJ # 90-11-2-354/18
- 17 l
- 18
  - Robert D. Mullaney 🕟
- 19
- Trial Attorney Environmental Enforcement Section
- 20 U.S. Department of Justice 301 Howard Street, Suite 1050 San Francisco, CA 94105
- 21
- As to EPA: 22
- Lewis C. Maldonado, ORC-3 23 Assistant Regional Counsel
- United States Environmental Protection Agency 24 75 Hawthorne Street
- San Francisco, CA 94105 25
- Wayne Praskins, SFD-7-3 26 EPA Project Coordinator
- United States Environmental Protection Agency 27` 75 Hawthorne Street
- 28 San Francisco, CA 94105

۱ ۱	As to the Regional Phlancial Wanagement Officer
2	Joe Schmidt, PMD-5 United States Environmental Protection Agency
3	75 Hawthorne Street San Francisco, CA 94105
4	Buil I fullolovo, CIT 3 1100
5	As to the Settling Defendants:
6	As to Aerojet:
7	Scott Goulart Director, Environmental Restoration Program
8	P.O. Box 13222 Sacramento, CA 95813-6000
9	[If Hand-Delivery or Overnight Mail: Hwy 50 and Aerojet Road
10	Rancho Cordova, CA 95670]
11	With Copies to:
12	Office of General Counsel
13	GenCorp Inc. P.O. Box 537012
14	Sacramento, CA 95853-7012 [If Hand-Delivery or Overnight Mail:
15	Hwy 50 and Aerojet Road Rancho Cordova, CA 95670]
16	Lawrence A. Hobel Heller Ehrman LLP
17	333 Bush Street San Francisco, CA 94104-2878
18	Sail Flancisco, CA 94104-2076
19	As to GenCorp:
20	GenCorp Inc.
21	Office of General Counsel P.O. Box 537012
22	Sacramento, CA 95853-7012 [If Hand-Delivery or Overnight Mail: Hwy 50 and Aerojet Road
23	Rancho Cordova, CA 95670]
24	With a Copy to:
25	Lawrence A. Hobel Heller Ehrman LLP
26	333 Bush Street
27	San Francisco, CA 94104-2878
28	

# 

# **5**

# 

# 

# 

# 

# 

# 

# 

# 

# 

# 

### 

#### 

#### 

# 

# 

## 

## 

# 

# 

#### XV. EFFECTIVE DATE

33. The effective date of this Consent Decree shall be the date upon which this Consent Decree is entered by the Court, except as otherwise provided herein.

### XVI. RETENTION OF JURISDICTION

34. This Court shall retain jurisdiction over this matter for the purpose of interpreting and enforcing the terms of this Consent Decree.

### XVII. INTEGRATION/APPENDICES

35. This Consent Decree constitutes the final, complete and exclusive agreement and understanding between the Parties with respect to the settlement embodied in this Consent Decree. The Parties acknowledge that there are no representations, agreements or understandings relating to the settlement other than those expressly contained in this Consent Decree. The following appendices are attached to this Consent Decree for reference only:

"Appendix A" is a copy of the UAO and the SOW attached to and included as part of the UAO;

"Appendix B" is a map that generally depicts the BPOU Area;

"Appendix C" is a copy of the ROD; and

"Appendix D" is a copy of the ESD.

# XVIII. LODGING AND OPPORTUNITY FOR PUBLIC COMMENT

- 36. This Consent Decree shall be lodged with the Court for a period of not less than 30 days for public notice and comment. The United States reserves the right to withdraw or withhold its consent if the comments regarding the Consent Decree disclose facts or considerations indicating that this Consent Decree is inappropriate, improper, or inadequate. Settling Defendants consent to the entry of this Consent Decree in the form presented without further notice.
  - 37. If for any reason this Court should decline to approve this Consent

1

6

9 10

12

11

13 14

15

16 17

18

19

20

21 22

23

24

25

26

27

28

Decree in the form presented, this agreement is voidable at the sole discretion of any party and the terms of the agreement may not be used as evidence in any litigation between the Parties.

### XIX. SIGNATORIES/SERVICE

- 38. Each undersigned representative of Settling Defendants to this Consent Decree and the Assistant Attorney General for the Environment and Natural Resources Division of the United States Department of Justice, or her delegate, certifies that he or she is authorized to enter into the terms and conditions of this Consent Decree and to execute and bind legally the party he or she represents to this document.
- 39. Settling Defendants hereby agree not to oppose entry of this Consent Decree by this Court or to challenge any provision of this Consent Decree, unless the United States has notified Settling Defendants in writing that it no longer supports entry of the Consent Decree.
- 40. Each Settling Defendant shall identify, on the attached signature page, the name and address of an agent who is authorized to accept service of process by mail on behalf of that Settling Defendant with respect to all matters arising under or relating to this Consent Decree. Each Settling Defendant hereby agrees to accept service in that manner and to waive the formal service requirements set forth in Rule 4 of the Federal Rules of Civil Procedure and any applicable local rules of this Court, including, but not limited to, service of a summons. The Parties agree that Settling Defendants need not file an answer to the complaint in this action unless or until the Court expressly declines to enter this Consent Decree.

## XX. FINAL JUDGMENT

41. Upon approval and entry of this Consent Decree by the Court, this Consent Decree shall constitute the final judgment between and among the United States and Settling Defendants. The Court finds that there is no just

reason for delay and therefore enters this judgment as a final judgment under Fed. R. Civ. P. 54 and 58.

Dated: 12/12/05 Mistrus a. Surfe

United States District Judge

THE UNDERSIGNED PARTY enters into this Consent Decree in the matter of United States v. Aerojet-General Corporation and GenCorp, Inc., relating to the BPOU Area.

# FOR THE UNITED STATES OF AMERICA

Dated: 9/16/05

Kelly A Holnson Kelly A. Johnson

Acting Assistant Attorney General Environment and Natural Resources Division U.S. Department of Justice Washington, D.C. 20530

Dated: 10-25-05

Klut & milla

Robert D. Mullaney Trial Attorney Environmental Enforcement Section Environment and Natural Resources Division U.S. Department of Justice 301 Howard Street, Suite 1050 San Francisco, California 94105

1	THE UNDERSIGNED PARTY enters into this Consent Decree in the matter of United States v. Aerojet-General Corporation and GenCorp. Inc.,
2	matter of United States v. Aerojet-General Corporation and GenCorp, Inc., relating to the BPOU Area.
3	relating to the BPOU Area.
4	FOR DEFENDANT AEROJET-GENERAL CORPORATION
5	
6	2/2/05 Bir & Com
7	Dated:
8	Legal and Contracts
9	
10	
11	
12	Agent Authorized to Accept Service on Behalf of Above-signed Party:
13	CT Corporation System 818 West Seventh Street
14	Los Angeles, CA 90017
15	
16	Tel.: 213.627.8252 Fax:
17	
18	
19	
20	
21	
22	
23 24	
25	

THE UNDERSIGNED PARTY enters into this Consent Decree in the matter of United States v. Aerojet-General Corporation and GenCorp, Inc., relating to the BPOU Area. FOR DEFENDANT GENCORP, INC. Dated: July 7, 2005 Mark A. Whitney Vice President, Law Agent Authorized to Accept Service on Behalf of Above-signed Party: CT Corporation System 818 West'sSeventh Street Los Angeles, CA 90017 Tcl.: 213.627.8252 Fax: 



UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA
OFFICE OF THE CLERK

THE EXHIBIT(S) AND/OR
ATTACHMENT(S) TO THIS DOCUMENT
ARE AVAILABLE IN "THE RECORDS
SECTION" OF THE CLERK'S OFFICE.

Optical Scanning - October 23, 200